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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FCC MAIL SECTION

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FCC 94M-175
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In re Applications)	MM Docket No. 93-3001
)	
STEPHEN O. MEREDITH)	File No. BPH-920430MD
)	
AL HAZELTON)	File No. BPH-920430ME
)	
For Construction Permit for a)	
New FM Station on Channel 243C1)	
in Audubon, Iowa)	

MEMORANDUM OPINION AND ORDER

Issued: March 16, 1994 ; Released: March 18, 1994

1. Under consideration are the following:

Motion to Compel, filed February 4, 1994, by Al Hazelton ("Hazelton");

Partial Opposition to Motion to Compel, filed February 16, 1994, by Stephen O. Meredith ("Meredith");

Supplement to Partial Opposition, filed February 17, 1994, by Meredith;

Petition to Enlarge Issues, filed February 18, 1994, by Hazelton);

Opposition to Petition to Enlarge Issues, filed March 3, 1994, by Meredith; and

Reply, filed March 15, 1994, by Hazelton.

2. Hazelton seeks a lack of candor/misrepresentation issue against Meredith. In support Hazelton alleges that in his Integration and Diversification Statement, Meredith stated that he had no cognizable or attributable interest in any medium of mass communications. However in his balance sheet appended to his Standard Document Production, Meredith lists "TA Investments." According to Hazelton, the Commission in a prior unrelated proceeding held that TA Associates include equity securities consisting of convertible, non-voting stock which give the right in certain cases, to obtain majority control of communication companies in which the securities are held. Hazelton claims that TA investments are mass media interests which should have been disclosed.

3. In response Meredith states that he holds certain passive, non-voting limited partnership interests in a limited partnership called "TA

Investors."¹ According to the 1992 Schedule K-1 provided to Meredith by TA Investors in connection with Meredith's income tax return preparation, his ownership interest in TA Investors is 0.00698122 or 0.698122 percent. TA Investors holds a passive ownership in warrants to purchase non-voting stock in certain broadcast licensees, none of which produce principal city contours that overlap Audubon, Iowa. Such stock warrants entitle TA Investors to purchase non-voting common stock constituting less than 0.0018 (0.18 percent) of the common stock of the issuer. As a result, Mr. Meredith's maximum direct or indirect potential ownership in such licensees is less than 0.00001257 (0.001257 percent). All of the above was disclosed to Hazelton February 16, 1994, when Mr. Meredith filed his "Partial Opposition to Motion to Compel." In his supporting Declaration Mr. Meredith stated that the only document (other than his balance sheet) of which he was aware reflecting his percentage ownership interest in TA Investors is IRS Form K-1 which was delivered to his counsel for delivery to Hazelton's counsel. Thus, as of February 16, 1994, the issue troubling Hazelton was resolved by Mr. Meredith's disclosure of the relevant information in response to Hazelton's discovery request.

4. Mr. Meredith holds a minuscule investment in a company that holds warrants that could possibly be converted at some point into a minuscule non-voting stock interest in broadcast licensees. Hazelton has not cited any Commission rule, policy or case for the proposition that such an investment is considered a "media interest." The investment could only become a "media interest" when and if TA Investors converts its warrants into non-voting stock. Even then, the "media interests" that would be created would be a noncognizable and non-attributable one. FCC Form 301 requires an applicant to report "existing attributable interests in any broadcast station, including the nature and size of such interests [emphasis added]." See FCC Form 301 (February 1992 version) at p. 4.² Commission precedent holds that warrants, such as the ones held by TA Investors, are noncognizable and non-attributable interests. See, Attribution of Ownership Interests, 97 FCC 2d 997 (1984) and Channel 32 Broadcasting Company, 5 FCC Rcd 7373 (Rev. Bd. 1990).

5. In light of the foregoing, it is deemed that the requested issues are not warranted, and it follows that the documents requested need not be provided.

Accordingly, IT IS ORDERED that the Motion to Compel, filed February 4, 1994, by Hazelton IS DENIED.

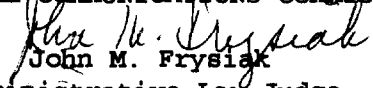
¹ According to Meredith, Hazelton has based his petition on an apparent misunderstanding that Mr. Meredith's investment is in TA Associates. Mr. Meredith's investment is in "TA Investors."

² The Form also seeks information on "All other ownership interests of 5 percent or more (whether or not attributable)...in broadcast, cable or newspaper entities in the same market.... FCC Form 301 (February 1992 version), at p. 4 [emphasis added]. Mr. Meredith's investment, on the order of 0.001257 percent, does not approach the FCC's 5 percent benchmark and would not be reportable on the Form, even if the media interests were in the same market.

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IT IS FURTHER ORDERED that the Petition to Enlarge Issues, filed February 18, 1994, by Hazelton IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION


John M. Frysiak
Administrative Law Judge